

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

RECEIVED

APR - 2 1993

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of )

Expanded Interconnection with )  
Local Telephone Company Facilities )

CC Docket No. 91-141

Amendment of the Part 69 )  
Allocation of General Support )  
Facilities Costs )

CC Docket No. 92-222

**AMERITECH'S<sup>1</sup> OPPOSITION TO MPS'  
PETITION TO HOLD IN ABEYANCE**

**The MPS Petition should be summarily rejected. It is procedurally**

petition is really nothing more than an out-of-time petition for review, and should be rejected.

MFS presents no evidence to establish that it faces any "imminent and irreparable competitive harm". MFS Petition at 1. Instead, the entire MFS Petition is built upon speculation and innuendo. There is absolutely no support for the allegation that geographic deaveraging would allow LECs to price below costs. Similarly, MFS presents no evidence that its prices are being improperly undercut. Such evidence would be hard to come by, particularly since MFS typically prices 10 to 20 percent below LECs. Any reasoned inquiry into "competitive harm" would appear to require an examination of MFS' own price structure, and MFS has not presented this vital information.

MFS' conjecture cannot justify the relief it requests. This is particularly true when LEC special access prices -- including volume and term discounts -- have been fully cost-justified and approved by the Commission. Subsequent adjustments to those prices have been made in strict compliance with the applicable price cap rules. Accordingly, these prices are entitled to a strong presumption of validity, and MFS has presented no basis to overcome that presumption.

Finally, MFS' Petition asks for nothing less than the Commission's full-scale reversal of its pro-competitive policy. The Commission has acknowledged that competition is not an end in itself. Rather, it is a means to obtain lower prices, improved quality, and improved service for customers. The very behavior which MFS complains about -- the possibility of lower prices -- is the very behavior which the Commission has encouraged through its expanded interconnection policies. Indeed, all available evidence indicates that the

service and quality is increasing. MFS is asking the Commission to stop these pro-consumer developments.

If the MFS request is granted, it would open the door to future intervention to favor some competitors and to disadvantage others. In this environment, competition would be used as both a sword and a shield, to extract concessions such as expanded interconnection, but to defend against the true rigors of price competition – such as that intended by geographic deaveraging. The policy which MFS asks the Commission to follow is not a policy of market-based competition, but rather a policy of regulatory favoritism.

The Commission need not create artificial price floors to protect against pricing which is “too low” for the tastes of competitors. Ameritech is mindful of its obligations under the antitrust laws to properly price its services above relevant costs. Ameritech is also keenly aware that there are severe penalties for not doing so, including treble damages and attorneys’ fees. These requirements create an effective restraint on any alleged improper pricing practices.

In sum, the Commission has embarked upon a pro-competitive policy. MFS asks the Commission to abandon that policy in order to protect it from the rigors of true price competition. Ameritech asks the Commission to reject that

request, and to instead allow the market to operate in the way the Commission intends it to operate.

Respectfully submitted,

*Mark R. Ortlieb*

Mark R. Ortlieb

Attorney for Ameritech

2000 W. Ameritech Center

Room 4H84

Hoffman Estates, Illinois 60196-1025

**CERTIFICATE OF SERVICE**

I, Janice M. Guilfoyle, do hereby certify that a copy of the foregoing pleading has been served on all parties by first class mail, postage prepaid, on this 2nd day of April, 1993.

Janice M. Guilfoyle  
Janice M. Guilfoyle *lak*

**CERTIFICATE OF SERVICE**

I, Janice M. Guilfoyle, do hereby certify that a copy of the foregoing  
pleading has been served on all parties by first class mail, postage prepaid, on

Francine J. Berry  
AT&T  
295 North Maple Avenue  
Room 3244Jl  
Basking Ridge, NJ 07920

James Tuthill  
Pacific Tel  
1275 Pennsylvania Avenue, NW  
Washington, DC 20004

Joseph W. Miller  
Williams Telecommunications Group, Inc.  
Suite 3600, P.O. Box 2400  
One Williams Center  
Tulsa, OK 74102

William B. Barfield  
Bell South  
1155 Peachtree Street, Suite 1800  
Atlanta, GA 30367-6000

Andrew D. Lipman  
Russell M. Blau  
Jonathan E. Canis  
Swidler & Berlin, Chartered  
3000 K Street, NW  
Suite 300  
Washington, DC 20007

Kathleen Krause  
US West  
1020 19th Street, NW  
Suite 700  
Washington, DC 20036

Joseph DiBella  
NYNEX  
120 Bloomingdale Road  
White Plains, NY 10605

Hollis G. Duensing  
General Solicitor  
The Association of American Railroads  
50 F Street, NW  
Washington, DC 20001

Jeffrey J. Milton  
President  
Institutional Communications Company  
1410 Spring Hill Road #300  
McLean, VA 22102-3002

**Roy L. Morris**  
**Deputy General Counsel**  
**Allnet Communications Services, Inc.**  
**1990 M Street, NW, Suite 500**  
**Washington, DC 20036**

**John C. Shapleigh**  
**President and General Counsel**  
**ALTS, Suite 1050**  
**1150 Connecticut Avenue, NW**  
**Washington, DC 20036**

**William E. Wyrrough, Jr.**  
**Associate General Counsel**  
**Florida Public Service Commission**  
**101 East Gaines Street**  
**Tallahassee, FL 32399-0850**

**Josephine S. Trubeck, General Counsel**  
**Michael J. Shortly, III, Attorney**  
**Rochester Telephone Corporation**  
**180 South Clinton Avenue**  
**Rochester, NY 14646**

**Paul Rodgers, General Counsel**  
**Charles D. Gray, Asst. General Counsel**  
**James Bradford Ramsay**  
**Deputy Assistant General Counsel**  
**NARUC, 1102 ICC Building**  
**P.O. Box 684**  
**Washington, DC 20044**

**Barbara J. Stonebraker**  
**Sr. Vice President - External Affairs**  
**Cincinnati Bell Telephone**  
**201 E. Fourth Street, 102-300**  
**P.O. Box 2301**  
**Cincinnati, Ohio 45201**

**Randolph J. May**  
**Richard S. Whitt**  
**Sutherland, Asbill & Brennan**  
**1275 Pennsylvania Avenue, NW**  
**Washington, DC 20004**

**William D. Baskett III**  
**Thomas E. Taylor**  
**David S. Bence**  
**Frost & Jacobs**  
**2500 Central Trust Center**  
**201 E. Fifth Street**  
**Cincinnati, Ohio 45202**

**John B. Lynn**  
**EDS Corporation**  
**Suite 1331, North Office Tower**  
**1331 Pennsylvania Avenue, NW**  
**Washington, DC 20004**

**Lewis J. Paper**  
**Robert F. Aldrich**  
**Keck, Mahin & Cate**  
**1201 New York Avenue, NW**  
**Washington, DC 20005-3919**



**Peter A. Casciato, Esq.**  
**A Professional Corporation**  
**Suite 201**  
**1500 Sansome Street**  
**San Francisco, CA 94111**

**Robert C. Mackichan, Jr.**  
**Vincent L. Crivella**  
**Michael J. Ettner**  
**General Services Administration**  
**18th & F Streets, NW, Room 4002**  
**Washington, DC 20405**

**James S. Blaszk**  
**Charles C. Hunter**  
**Gardner, Carton & Douglas**  
**1301 K Street, NW**  
**Suite 900 - East Tower**  
**Washington, DC 20005**

**Thomas J. Casey**  
**James M. Fink**  
**Skadden, Arps, Slate, Meagher & Flom**  
**1440 New York Avenue, NW**  
**Washington, DC 20005**

**William Page Montgomery**  
**Economics and Technology, Inc.**  
**One Washington Mall**  
**Boston, MA 02108-2603**

**Michael L. Glaser**  
**Thomas F. Dixon**  
**Holme, Roberts & Owen**  
**1700 Lincoln, Suite 4100**  
**Denver, CO 80203**

**Debra L. Lagapa**  
**Ellen G. Block**  
**Cathleen A. Massey**  
**Morrison & Foerster**  
**2000 Pennsylvania Ave., NW, Suite 5500**  
**Washington, DC 20006**

**Jeffery L. Sheldon**  
**Mara J. Pastorkovich**  
**Utilities Telecommunications Council**  
**1140 Connecticut Ave., NW #1140**  
**Washington, DC 20036-4001**

**Robert J. Aamoth**  
**Michael R. Wack**  
**Reed, Smith, Shaw & McClay**  
**1200 18th Street, NW**  
**Washington, DC 20036**

**Irwin A. Popowsky**  
**Philip F. McClelland**  
**Mark S. Hayward**  
**Berry Pineless, Esq.**  
**Office of Consumer Advocate**  
**1425 Strawberry Square**  
**Harrisburg, PA 17120**

**Martin E. Freidel**  
Vice President  
Mid-American Communications Corporation  
7100 W. Center Road, Suite 300  
Omaha, NE 68106-2723

**E. William Kobernusz**  
Vice President, Regulatory  
Southern New England Telephone Company  
227 Church Street  
New Haven, CT 06510-1806

**Ward W. Wueste, Jr. W11L14**  
**Richard McKenna, W11L21**  
GTE Service Corporation  
P.O. Box 152092  
Irving, TX 75015-2092

**Richard E. Wiley**  
**Michael Yourshaw**  
**William B. Baker**  
Wiley, Rein & Fielding  
1776 K Street, NW  
Washington, DC 20006

**W. Terry Maguire**  
**Claudia M. James**  
American Newspaper Publishers Assoc.  
Dallas Airport  
P.O. Box 17407  
Washington, DC 20004

**Robert L. Hoegle**  
**Timothy J. Fitzgibbon**  
Olwine, Connelly, Chase, O'Donnell & Weyhe  
1701 Pennsylvania Ave., NW, Suite 1000  
Washington, DC 20006

**Brian R. Moir**  
Fisher, Wayland, Cooper and Leader  
1255 23rd Street, NW, Suite 800  
Washington, DC 20037-1170

**Angela Burnett, Staff Counsel**  
Information Industry Association  
555 New Jersey Avenue, NW, Suite 800  
Washington, DC 20001

**Dary L. Avery**  
**Peter G. Wolfe**  
**Howard G. Davenport**  
Public Service Commission of the  
District of Columbia  
450 Fifth Street, NW  
Washington, DC 20001

**Mark S. Hayward**  
**Barry Pineles, Esq.**  
Office of Advocacy  
United States Small Business Administration  
409 3rd Street, SW  
Washington, DC 20416

David Cosson  
L. Marie Guillory  
National Telephone Cooperative Association  
2626 Pennsylvania Avenue, NW  
Washington, DC 20037

Carol F. Sulkes  
Vice President, Regulatory Policy  
8745 Higgins Road  
Chicago, IL 60631

Daniel O. Coy  
President, CEO  
Metrocom, Fiber Optic Network  
50 West Broad Street  
Columbus, OH 43215

Theodore D. Frank  
Vonya B. McCann  
Arent, Fox, Kintner, Plotkin & Kahn  
1050 Connecticut Avenue, NW  
Washington, DC 20036-5339

Joseph C. Harkins, Jr.  
Penn Access Corporation  
Centre City Tower  
650 Smithfield Street  
Pittsburgh, PA 15222-3907

Margot Smiley Humphrey  
Koteen & Naftalin  
1150 Connecticut Avenue  
Washington, DC 20036

William J. Cowan  
General Counsel  
New York State Department of Public Service  
Three Empire State Plaza  
Albany, NY 12223

Peter Arth Jr.  
Edward W. O'Neill  
Irene K. Moosen  
505 Van Ness Avenue  
San Francisco, CA 94102

Donald J. Elardo  
Larry Blosser  
MCI Telecommunications Corporation  
1801 Pennsylvania Avenue, NW  
Washington, DC 20006

Shirley S. Fujimoto  
Christine M. Gill  
Brain T. Ashby  
Keller and Heckman  
1150 17th Street, NW  
Suite 1000  
Washington, DC 20036

**Genevieve Morelli**  
Vice President and General Counsel  
Competitive Telecommunications Association  
1140 Connecticut Ave., NW, #220  
Washington, DC 20036-4001

**Robert A. Mazer**  
Nixon, Hargrave, Devans & Doyle  
One Thomas Circle, NW, Suite 800  
Washington, DC 20005

**John P. Kelliher**  
Solicitor  
Illinois Commerce Commission  
180 North LaSalle Street  
Suite 810  
Chicago, IL 60601

**Randolph J. May**  
CompuServe Incorporated  
5000 Arlington Centre Boulevard  
P.O. Box 20212  
Columbus, OH 43220

**Robert C. Arkinson**  
Alex J. Harris  
Teleport Communications Group  
1 Teleport Drive, Suite 300  
Staten Island, NY 10311-1011

**Randall B. Lowe**  
Charles H.N. Kallenbach  
Jones, Day, Reavis & Pogue  
1450 G Street, NW  
Washington, DC 20005-2088

**Stuart Dolgin, Assistant General Counsel**  
Personal Communications Network  
Services of New York, Inc., D/B/A  
PCN-One of New York, and PCNs-  
One of New York  
17 Battery Place, Suite 1200  
New York, NY 10004-1256

**Jay C. Keithley**  
The United Telephone System Companies  
1850 M Street, NW, Suite 1100  
Washington, DC 20036

**Richard A. Askoff**  
NECA  
100 South Jefferson Road  
Whippany, NJ 07981

**W. Richard Morris**  
The United Telephone Systems Companies  
P.O. Box 11315  
Kansas City, MO 64112

Herbert E. Marks  
David Alan Nall  
Squire, Sanders & Dempsey  
1201 Pennsylvania Avenue, NW  
P.O. Box 407  
Washington, DC 20044

Edward C. Addison, Director  
Division of Communications  
Virginia State Corporation Commission Staff  
P.O. Box 1197  
Richmond, VA 23209

Paul J. Berman  
Covington & Burling  
1201 Pennsylvania Avenue, NW  
P.O. Box 7566  
Washington, DC 20044

Lisa M. Zaina  
General Counsel  
OPASTCO  
21 Dupont Circle, NW, Suite 700  
Washington, DC 20036

Snaveley, King & Associates, Inc.  
Economic Consultants  
1220 L Street, NW, Suite 410  
Washington, DC 20005

Leon M. Kestenbaum  
H. Richard Juhnke  
Sprint  
1850 M Street, NW, 11th Floor  
Washington, DC 20036

Peter A. Rohrbach  
Karis A. Hastings  
Hogan & Hartson  
555 13th Street, NW  
Washington, DC 20004

Richard C. Hartgrove  
Southwestern Bell  
1010 Pine Street  
Room 2114  
St. Louis, MO 63101